

# Review Requirements Checklist

## Credit Involuntary Unemployment

Contact Person: [Keith Fanning](#) (217) 782-1792

Line(s) of Insurance: Business:

Credit Involuntary Unemployment TOI 28.2004

### Links:

- [Illinois Compiled Statutes Online](#)
- [Administrative Regulations Online](#)
- [Product Coding Matrix](#)

All filings are public record in accordance with 215 ILCS 5/404 except where another provision of the Insurance Code says otherwise. The only code section that allows for a filing to be a trade secret or confidential is 215 ILCS 157/40 Use of Credit Information in Personal Insurance Act.

The Department's checklists include summaries that do not provide detailed information about all laws, regulations and bulletins. Therefore, the insurers should review the actual laws, regulations and bulletins to ensure forms are fully compliant before filing with the Department.

A form filing fee is required pursuant to 215 ILCS 5/408 (1)(jj).

| LINE OF AUTHORITY   | REFERENCE   | DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS   |
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| Must have proper Class and Clause authority to conduct this line of business in Illinois. | <a href="#">215 ILCS 5/4</a><br><a href="#">List of Classes/Clauses</a> | To write Inland Marine insurance in Illinois, companies must be licensed to write: <ol style="list-style-type: none"> <li>1. Class 2, Clause (h)</li> </ol>  |
| SERFF FILING  | REFERENCE   | DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS   |
| SERFF filing must contain specific information.   | <a href="#">50 IL Adm. Code 753</a>                                     | All companies must file, using the System for Electronic Rate and Form Filing (SERFF): <ol style="list-style-type: none"> <li>1. Copies of all policy forms on these kinds of business and, for mutual companies, a separate proxy signature line for the insured to sign, if applicable;</li> </ol> |

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|  |  | <ol style="list-style-type: none"><li>2. Copies of generally used endorsement forms on these kinds of business;</li><li>3. Copies of all application forms used on these kinds of business, including a separate proxy signature line for the insured to sign if applicable;</li><li>4. A copy of the declaration page, in non-individualized, template form, absent personal policyholder information; and</li><li>5. A copy of the policy jacket, if used by the company.</li></ol> <p>All filings must be accompanied by a forms submission letter that includes:</p> <ol style="list-style-type: none"><li>1. The name of the advisory organization or company making the filing;</li><li>2. Title, form number, and edition identification for the forms;</li><li>3. Information as to what Class and Clause coverage is written under;</li><li>4. Identification of all applicable endorsements and applications as to the policy forms for which the endorsements and applications are used;</li><li>5. Notification as to whether the filing is new or supersedes a present filing. Identification of all changes in all superseding filings, as well as identification of all superseded forms, is required; and</li><li>6. Effective date of use.</li></ol> <p>Companies under the same ownership or general management are required to make separate individual company filings.</p> <p>Company Group (“Me too”) filings are unacceptable.</p> |
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| <b>FILING SUBMISSION</b>   | <b>REFERENCE</b>                       | <b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>  |
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| When forms must be filed.  | <a href="#">50 IL Adm. Code 753</a>    | Forms must be received by the Department no later than their effective date of use.  |
| Requirements for company FEIN numbers.   | <a href="#">Company Bulletin 88-53</a> | Company must include all Federal Employer Identification Numbers (FEINs) for companies making the filing.  |
| Forms under one filing number must have common coverage relationship.  | <a href="#">Company Bulletin 88-53</a> | All forms under an assigned filing number must have some common coverage relationship (e.g. all forms in an auto filing must pertain only to auto, etc.).  |
| Form changes must be highlighted.  | <a href="#">50 IL Adm. Code 753</a>    | Changes from currently filed forms must be highlighted.  |
| Final printed forms must be filed.   | <a href="#">50 IL Adm. Code 753</a>    | Typed or printer's proof copies may be submitted for review but must be re-filed in printed form. Statements, provisions, or endorsements may not be typed or superimposed on a policy or endorsement.   |
| <b>THIRD PARTY FILERS AUTHORITY</b>  | <b>REFERENCE</b>                       | <b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>  |
| <p>Insurer may authorize an advisory organization to make a form filing on its behalf.</p> <p>Insurer may change or delay the effective date of an advisory organization form filing by properly notifying the Department.</p> <p>Insurer may authorize attorneys, consulting firms, etc. to submit form filings to the Department, as long as the filing includes proper authorization.</p> | <a href="#">50 IL Adm. Code 753</a>    | <p>Insurer may authorize an advisory organization, of which it is a member or subscriber, to file forms on its behalf, as long as the insurer has on file with the Department a forms authorization letter which includes:</p> <ol style="list-style-type: none"> <li>1) the name of the authorized advisory organization.</li> <li>2) the kinds of business for which filings will be made.</li> <li>3) authorization clause or language.</li> <li>4) effective date of authorization.</li> </ol> <p>Insurer may change or delay the effective date of an advisory organization form filing by notifying the Department. The notice shall include the insurer name, FEIN number, line of insurance, advisory organization name and filing number, and effective date desired.</p> <p>Insurer may authorize attorneys, consulting firms, etc. to submit form filings to the Department, as</p> |

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|  |   | long as the filing includes a notice, signed by an authorized company officer, giving authority for the entity to act on the insurer's behalf on any issues related to the filing.   |
| <b>AMBIGUOUS &amp; MISLEADING</b>  | <b>REFERENCE</b>  | <b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>  |
| The Director may disapprove a form filing if it contains inconsistent, ambiguous, or misleading clauses. | <a href="#">215 ILCS 5/143(2)</a>                                 | Director may disapprove any form that contains inconsistent, ambiguous, or misleading clauses.   |
| <b>APPLICATIONS</b>  | <b>REFERENCE</b>  | <b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>  |
| Applications must be filed.  | <a href="#">50 IL Adm. Code 753</a>                               | Applications must be filed, including online/electronic applications.  |
| <b>ACTION AGAINST COMPANY</b>  | <b>REFERENCE</b>  | <b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>  |
| Periods of limitation tolled.  | <a href="#">215 ILCS 5/143.1</a>                                  | If the form contains a provision limiting the period of time within which the insured may bring suit, the provision must state that the running of such period is tolled from the date proof of loss is filed until the date the claim is denied in whole or in part.  |
| <b>ARBITRATION</b>   | <b>REFERENCE</b>  | <b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>  |
| Requirements for arbitration provisions.   | <a href="#">710 ILCS 5/1</a><br><a href="#">215 ILCS 5/143(2)</a> | Any controversy or claim arising out of or relating to the contract, or the breach thereof, may be settled within a reasonable time limit by arbitration administered by the American Arbitration Association in accordance with the Uniform Arbitration Act 710 ILCS 5/1.<br>The arbitration may be binding on both parties, or non-binding upon the insured, but in all instances must be entered into on a voluntary basis, as the insured must have the option of filing a lawsuit. Any forms that contain provisions to the contrary are deemed to contain exceptions and conditions that unreasonably or deceptively affect the risks that are purported to be assumed by the policy, in |

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|   |                                    | violation of Section 143(2) and will be disapproved accordingly.   |
| <b>ASSIGNMENT OR TRANSFER</b>   | <b>REFERENCE</b>                   | <b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>  |
| Assignment or transfer of policies among or between insurers within an insurance holding company system or insurers under common management or control, or as a result of a merger, acquisition, or restructuring of an insurance company, is not a nonrenewal for purposes of the notification requirements. | <a href="#">215 ILCS 5/143.11b</a> | Assignment or transfer of policies among or between insurers within an insurance holding company system or insurers under common management or control, or as a result of a merger, acquisition, or restructuring of an insurance company, is not a nonrenewal for purposes of the notification requirements.<br>A company making an assignment or transfer of a policy among or between insurers as stated above, must deliver to the named insured notice of such assignment or transfer at least 60 days prior to the renewal date. An exact and unaltered copy of the notice shall be sent to the insured's producer, if known, and agent of record. |
| <b>CANCELLATION</b>   | <b>REFERENCE</b>                   | <b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>  |
| May not refuse to issue a policy on sole basis of previous refusal or cancellation by any insurer.  | <a href="#">215 ILCS 5/143.10</a>  | No company shall refuse to issue a policy on the sole basis that the insured or applicant for such policy was previously refused issuance or renewal of a policy by an insurer, or such insured's policy was cancelled on a prior date by any insurer.   |
| Policy must contain cancellation provision.   | <a href="#">215 ILCS 5/143.11</a>  | Policy must include a cancellation provision setting out the manner in which the policy may be cancelled.  |
| Number of days notice required for cancellation of policies and notice requirements.  | <a href="#">215 ILCS 5/143.15</a>  | Insurers must mail cancellation notice to the named insured and mortgagee or lien holder, if known, at last known mailing address, at least: 10 days prior to the effective date of cancellation for non-payment of premium; and 30 days prior to the effective date of cancellation for any other reason. All notices shall include a specific explanation of the reason(s) for cancellation.   |
| Cancellation notice mailing requirements  | <a href="#">215 ILCS 5/143.14</a>  | Insurer must mail cancellation notice to the named insured at the last mailing address known by insurer. Insurer must maintain proof of mailing on   |

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|   |   | a form acceptable to U.S. Post Office or other commercial mail delivery service. Notification must also be mailed to the insured's broker, if known, or the agent of record and to the mortgage or lien holder listed on the policy.  |
| Reasons for canceling a policy that has been in effect for 60 days or more. | <a href="#">215 ILCS 5/143.16a</a><br><br><a href="#">50 IL Adm. Code 940</a>                                       | After a policy has been in effect for 60 days, insurer may only cancel for the following 6 reasons: (a) non-payment of premium; (b) the policy was obtained through a material misrepresentation; (c) any insured violated any terms and conditions of the policy; (d) the risk originally accepted has measurably increased; (e) the insurer certifies to the Director of the loss of reinsurance for all or a substantial part of the underlying risk; or (f) the Director determines that continuation of the policy could place the insurer in violation of Illinois insurance laws. Rule 940 outlines requirements for certification of loss of reinsurance.   |
| May not cancel because agent's contract with insurer was terminated.        | <a href="#">215 ILCS 5/141.01</a>   | Insurers may not cancel any policy on the ground that the company's contract with the agent through whom the policy was obtained has been terminated.   |
| May not cancel certain policies solely due to hate crimes.                  | <a href="#">215 ILCS 5/143.24c</a><br><br><a href="#">Title 26 U.S.C. Sections 170(b)(1)(A)(i), (ii), and (vi).</a> | Insurers may not cancel a policy solely on the basis that one or more claims have been made against any policy during the preceding 60 months, for a loss that is the result of a hate crime, if the insured provides evidence to the insurer that the act causing the loss is identified as a hate crime on a police report. Applies to policies issued to an individual, a religious organization described in Section 170(b)(1)(A)(i) of Title 26 of the United States Code, or an educational organization described in Section 170(b)(1)(A)(ii) of Title 26 of the United States Code, or any other nonprofit organization described in Section 170(b)(1)(A)(vi) of Title 26 of the United States Code that is organized and |

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|  |  | operated for religious, charitable, or educational purposes.  |
| <b>CONDITIONAL RENEWAL</b>   | <b>REFERENCE</b>   | <b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>   |
| 60 days advance notice of renewal with changes in deductibles or coverages applicable to an entire line of business. | <a href="#">215 ILCS 5/143.17</a>  | If, at renewal, the insurer is imposing changes in deductibles or coverage for any policy forms applicable to an entire line of business, then written notice of the changes must be mailed 60 days prior to the renewal or anniversary date.<br><br>Notification must also be mailed to the insured's broker, if known, or the agent of record listed on the policy.   |
| <b>CONSUMER INFORMATION</b>  | <b>REFERENCE</b>   | <b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>   |
| Written notice of company's complaint Department and Department of Insurance Public Service Department.              | <a href="#">215 ILCS 5/143c</a><br><br><a href="#">50 IL Adm. Code 931</a> | No policy may be delivered unless the policyholder or certificate holder is provided written notice of the address of the complaint Department of the insurance company, and the address of the Public Service Department of the Department of Insurance or its successor.<br>Rule 931 provides more specific guidance that:<br>a) such notice shall accompany any newly issued policy or binder;<br>b) "written notice" shall be satisfied by: any printed notice delivered with a policy or certificate; any adhering label attached to a policy or certificate; any computerized notice issued concurrently with a computer issued policy or certificate; or any other form of individual written notice substantially similar to the above.<br>Notice of Availability of the Department of Insurance shall be no less informative than the following: Illinois Department of Insurance, Consumer Division, 122 S. Michigan Ave., 19th floor, Chicago, Illinois 60603 and Illinois Department of Insurance 320 West Washington Street, Springfield, Illinois 62767.<br><br>The address to be used for the company shall be an office that can service all types of complaints. If one office cannot service all types of complaints, |

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|  |                                     | <p>then the additional addresses of each appropriate service office must be given.</p> <p>In addition to providing the required addresses, the notification should set forth the minimum amount of information included in the following suggested wording: "This notice is to advise you that should any complaints arise regarding this insurance, you may contact the following."</p>   |
| <b>CONTENT OF POLICIES</b>   | <b>REFERENCE</b>                    | <b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>  |
| Reasons for which the Director may disapprove a form filing.                           | <a href="#">215 ILCS 5/143(2)</a>   | The Director may disapprove any form that (i) violates any provision of the Illinois Insurance Code, (ii) contains inconsistent, ambiguous, or misleading clauses, or (iii) contains exceptions and conditions that will unreasonably or deceptively affect the risks that are purported to be assumed by the policy.  |
| Requirements for form content and readability.   | <a href="#">50 IL Adm. Code 753</a> | <p>There must be printed at the head of the policy the name of the insurer or insurers issuing the policy, the location of the Home Office thereof; a statement of whether the insurer is a stock, mutual, reciprocal, Lloyds, alien insurer, or an insurer operating under a charter by Special Act of the Legislature of any state. There may be added thereto such devices, emblems or designs and dates as are appropriate for the insurer issuing the policy.</p> <p>All forms must be identified by a descriptive title, form number and edition identification.</p> <p>All forms must be printed in not less than eight-point type.</p> |
| <b>DOMESTIC ABUSE</b>  | <b>REFERENCE</b>                    | <b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>  |
| Rating, claims handling, and underwriting decisions based solely on domestic violence. | <a href="#">215 ILCS 5/155.22b</a>  | No insurer that issues a property and casualty policy may use the fact that an applicant or insured incurred bodily injury as a result of a battery committed against him/her by a spouse or person in the same household as a sole reason for a rating, underwriting, or claims handling decision.  |

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| Intentional acts exclusion -- exception for innocent co-insured.                 | <a href="#">215 ILCS 5/155.22b</a> | If a policy excludes property damage coverage for intentional acts, the insurers may not deny payment to an innocent co-insured who did not cooperate in or contribute to the creation of the loss if the loss arose out of a pattern of criminal domestic violence and the perpetrator of the loss is criminally prosecuted for the act causing the loss.   |
| <b>EXCLUSIONS &amp; LIMITATIONS</b>  | <b>REFERENCE</b>                   | <b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>  |
| Involuntary Acts of Unemployment   | <a href="#">215 ILCS 5/143(2)</a>  | The policy must exclude coverage for unemployment due to labor disputes, general strikes and lockouts, which are not considered to be "involuntary" acts of unemployment. Such coverage is not fortuitous in nature and is within the control of the insured and, therefore, not the subject of insurance.   |
| Group involuntary unemployment policies are not specifically allowed by statute. | <a href="#">215 ILCS 5/4</a>       | There is no statute that allows for group involuntary unemployment insurance. Involuntary unemployment is NOT classified as inland marine for purposes of group insurance.   |
| Endorsements that amend another endorsement are prohibited.                      | <a href="#">215 ILCS 5/143(2)</a>  | An endorsement cannot be used to amend another endorsement. Such endorsements are deemed to result in inconsistent, ambiguous, or misleading clauses, in violation of Section 143(2) and will be disapproved accordingly.  |
| Blank endorsements are acceptable for filing, with exceptions.                   | <a href="#">215 ILCS 5/143(2)</a>  | Blank endorsements may be filed, but may not be used to decrease coverage, increase rates or deductibles, or negatively alter any terms or conditions of coverage, unless such change is at the sole request of the insured. Any forms that contain provisions to the contrary are deemed to contain exceptions and conditions that unreasonably or deceptively affect the risks that are purported to be assumed by the policy, in violation of Section 143(2) and will be disapproved accordingly. |
| Civil Union Partnerships-effective June 1, 2011.                                 | <a href="#">750 ILCS 75/1</a>      | The Religious Freedom Protection and Civil Union Act (Public Act 96-1513) will allow both same-sex and different-sex couples to enter into a   |

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|   | <a href="#">Civil Union Fact Sheet</a> | <p>civil union with all of the obligations, protections, and legal rights that Illinois provides to married heterosexual couples.</p> <p>Please note that whenever a policy form, application, or rating rule includes the terms "spouse," "married," or "immediate family member" it is required that parties to a civil union be included in these definitions.</p>  |
| <b>PAYMENT OF LOSS TIME PERIOD</b>  | <b>REFERENCE</b>                       | <b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>  |
| If a form states when a claim will be paid, the language must conform to this Rule. | <a href="#">50 IL Adm. Code 919.50</a> | If a form contains a provision stating when a claim shall be paid, the provision must comply with this Rule that states that the insurer shall affirm or deny liability on claims within a reasonable time and shall offer payment within 30 days of affirmation of liability if the amount of the claim is determined and not in dispute. For those portions of the claim which are not in dispute and the payee is known, the insurer shall tender payment within said 30 days.          |
| <b>VOIDANCE</b>   | <b>REFERENCE</b>                       | <b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>  |
| Requirements to rescind a policy for misrepresentation or false warranty.           | <a href="#">215 ILCS 5/154</a>         | <p>A policy may not be rescinded, defeated or avoided unless the misrepresentation is stated in the policy, endorsement or rider attached thereto, or in the written application therefore, and was made with the actual intent to deceive, or materially affected either the acceptance of the risk or the hazard assumed by the company.</p> <p>No personal lines policy may be rescinded after the policy has been in effect for one year, or one policy period, whichever is less.</p> |
| <b>MISCELLANEOUS</b>  | <b>REFERENCE</b>                       | <b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>  |
| Requirements for termination of line of business.                                   | <a href="#">215 ILCS 5/143.11a</a>     | A company must notify the Director of the termination of a line of insurance, as well as the reasons for the action, 90 days before termination of any policy is effective.  |

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| Negative response roll-ons are prohibited.  | <a href="#">215 ILCS 5/429</a>                                   | Form changes that are optional may not be applied "automatically unless the insured rejects." Insureds must be offered the option and must respond affirmatively for the change to apply. To apply the option automatically unless rejected is to engage in an unfair or deceptive act or practice.  |
| <b>RATE, RULE, RATING PLAN, CLASSIFICATION, AND TERRITORY FILING REQUIREMENTS</b>                   | <b>REFERENCE</b>   | <b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>  |
| Involuntary Unemployment rates and rules are not required to be filed in Illinois.                  | <a href="#">50 IL Adm. Code 754</a>                              | Rates and rules are not required to be filed for this line of coverage.  |
| <b>OTHER</b>  | <b>REFERENCE</b>   | <b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>  |
| Unfair methods of competition or unfair or deceptive acts or practices defined.                     | <a href="#">215 ILCS 5/424(3)</a>                                | It is an unfair method of competition or unfair and deceptive act or practice if a company makes or permits any unfair discrimination between individuals or risks of the same class or of essentially the same hazard and expense element because of the race, color, religion, or national origin of such insurance risks or applicants.   |
| Procedure as to unfair methods of competition or unfair or deceptive acts or practices not defined. | <a href="#">215 ILCS 5/429</a>                                   | Outlines the procedures the Director follows when he has reason to believe that a company is engaging in unfair methods of competition or unfair or deceptive acts or practices.   |
| <b>REBATES</b>  | <b>REFERENCE</b>   | <b>DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS</b>  |
| Payments or acceptance of rebates prohibited.<br>Rebates -- penalties                               | <a href="#">215 ILCS 5/151</a><br><a href="#">215 ILCS 5/152</a> | No insurer, agent or broker shall offer, give, etc., any rebate of premium, agent's commission, profits, dividends, or any special advantage in date of policy or age of issue, or any other valuable consideration or inducement, upon issuance or renewal, which is not specified in the policy contract of insurance.<br>However, insurers may pay a bonus to policyholders or abate their premiums, in whole or in part, out of surplus accumulated from nonparticipating insurance. |

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|  | <p>Insurers may also offer a child passenger restraint system, or a discount from the purchase price of a child passenger restraining system to policyholders, when the purpose of such system is the safety of a child and compliance with the "Child Passenger Protection Act."</p> <p>No insured or applicant shall directly or indirectly receive or accept any rebate of premium or agent's or broker's commission, or any favor or advantage, or any valuable consideration or inducement, other than such as is specified in the policy.</p> <p>Any company or person violating any provision of Section 151 shall be guilty of a Class B misdemeanor.</p> |
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